REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT
ON

KONA PACIFIC
Kailua-Kona, Island and County of Hawaii
State of Hawaii

REGISTRATION NO. 1144

IMPORTANT — Read This Report Before Buying

This Report Is Not an Approval or Disapproval of This Condominium Project

It reflects information obtained by the Real Estate Commission in its investigation of the project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project until

(1) A copy of this Report has been given to the prospective purchaser,
(2) The latter has been given an opportunity to read same, and,
(3) His receipt taken therefor.

Issued: February 1, 1980
Expires: March 1, 1981

SPECIAL ATTENTION

A comprehensive reading of this report by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION FILED JUNE 19, 1979, AND ADDITIONAL INFORMATION SUBSEQUENTLY SUBMITTED AS OF JANUARY 31, 1980. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514A, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report of August 9, 1979, on KONA PACIFIC, the Developer reports that changes have been made in the plans or set-up of the Project. The changes subsequently made are determined to be a material revision to the information disclosed earlier.

2. The Developer of the Project has filed all documents and materials deemed necessary by the Commission for the registration of this condominium project and the issuance of this Final Public Report.

3. The Developer advises that the Declaration of Horizontal Property Regime dated December 26, 1979, with By-Laws of the Association of Apartment Owners annexed thereto have been filed in the Bureau of Conveyances of the State of Hawaii in Liber 14359, Page 204. The approved floor plans have also been filed in said Bureau of Conveyances and designated Condominium File Plan No. 676. The Developer further advises that the First Amendment to Declaration of Horizontal Property Regime dated January 25, 1980 has been filed as aforesaid in Liber 14461, Page 60.

4. Advertising or promotional matter has been filed pursuant to the rules and regulations promulgated by the Commission.

5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of the Horizontal Property Act, Chapter 514A of the Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

6. This Final Public Report is made a part of the registration on KONA PACIFIC condominium project. The Developer has the responsibility of placing a true copy of the Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers together with a copy of the Preliminary Public Report (yellow paper stock) and Disclosure Abstract. Securing a signed copy of the Receipt therefor from each purchaser is also the responsibility of the Developer.

7. This Final Public Report automatically expires thirteen (13) months after the date of issuance, February 1, 1980, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the period of this report.

The information disclosed in the Preliminary Public Report of August 9, 1979, in the topical headings hereinafter set forth has been amended. Information disclosed in the remaining topical headings has not been disturbed.

DEVELOPER: KONA PACIFIC PARTNERS, a Hawaii limited partnership, whose principal place of business and post office address is Suite 109, 1215 Hunakai Street, Honolulu, Hawaii 96816 (Telephone No. 734-2295). The current general partners of KONA PACIFIC PARTNERS ARE:

Ester Chu
Suite 108, 1215 Hunakai Street
Honolulu, Hawaii 96816

David C. Y. Law
Suite 108, 1215 Hunakai Street
Honolulu, Hawaii 96816

ATTORNEYS REPRESENTING DEVELOPER: HAMILTON, GIBSON, NICKELSEN, RUSH & MOORE (Attention: D. Scott MacKinnon and Stephen K. C. Mau), Suite 2000, 745 Fort Street, Honolulu, Hawaii 96813 (Telephone No. 521-0400).

DESCRIPTION: The Declaration of Horizontal Property Regime and plans submitted by the Developer indicate a fee simple condominium project consisting of one hundred twenty-four (124) separate residential condominium apartments and one (1) commercial apartment contained in a multi-level building of three and four stories with each of the six (6) building areas thereof being designated by letter starting from "A" and ending with "F", and having a basement parking level consisting of one hundred forty-five (145) covered parking stalls and twenty (20) open parking stalls, constructed principally of hollow tile and concrete, steel, glass and aluminum, which spaces together with appurtenant lanai air spaces, if any, are referred to therein as "apartments", are designated on said condominium file plan and described as follows:

(a) Each residential apartment is assigned an apartment number determined as follows: the first capital letter of each apartment number denotes the building area in which the apartment is located; the first numeral thereof denotes a designated floor level on which the apartment is located; the last two digits denote the number of the apartment on the designated floor level. The commercial apartment shall be designated as F-1.

(b) The apartments are constructed according to nineteen (19) different floor plans. The Developer advises that the Declaration provides that floor plan types "N" and "N-1" have been deleted and that Apartments A-305, B-513, C-619, D-726, E-729 and E-730 will be constructed according to floor plan type "K" and Apartments A-306, B-512 and C-618 will be constructed according to floor plan type "K-1". A description of each of said floor plans, designating the layout, number of rooms and approximate area thereof is set forth as follows:

1. There are two (2) two-bedroom apartments (Type A) being Nos. A-101 and A-201 consisting of two-bedrooms, three baths, a kitchen, a living/dining room, walk-in closet, lanai, and entry hall, containing a floor area of approximately 1227 square feet and a lanai area of approximately 357 square feet.

2. There is one (1) two-bedroom apartment (Type B) being No. A-301, consisting of two-bedrooms, three baths, a kitchen, a living/dining room, walk-in closet, lanai and entry hall, containing a floor area of approximately 1322 square feet and a lanai area of approximately 402 square feet.

3. There are two (2) two-bedroom apartments (Type C) being Nos. A-102 and A-202 consisting of two-bedrooms, three baths, a kitchen, a living/dining room, walk-in closet, lanai, and entry hall, containing a floor area of approximately 1227 square feet and a lanai area of approximately 357 square feet.

4. There is one (1) two-bedroom apartment (Type D) being No. A-302 consisting of two-bedrooms, three baths, a kitchen, a living/dining room, walk-in closet, lanai and entry hall, containing a floor area of approximately 1311 square feet and a lanai area of approximately 402 square feet.

5. There are six (6) two-bedroom apartments (Type E) being Nos. B-209, B-309, B-409, D-423, D-523, and D-623 consisting of two-bedrooms, three baths, a kitchen, a living/dining room, a walk-in closet, lanai and entry hall, containing a floor area of approximately 1194 square feet and a lanai area of approximately 357 square feet.

6. There are six (6) two-bedroom apartments (Type E-1) being Nos. B-208, B-308, B-408, D-422, D-522, and D-622 consisting of two-bedrooms, three baths, a kitchen, a living/dining room, a walk-in closet, lanai and entry hall, containing a floor area of approximately 1194 square feet and a lanai area of approximately 357 square feet.

7. There are two (2) two-bedroom apartments (Type F) being Nos. B-509 and D-723 consisting of two-bedrooms, three baths, a kitchen, a living/dining room, walk-in closet, lanai and entry hall, containing a floor area of approximately 1194 square feet and a lanai area of approximately 407 square feet.

8. There are two (2) two-bedroom apartments (Type F-1) being Nos. B-508 and D-722 consisting of two-bedrooms, three baths, a kitchen, a living/dining room, walk-in closet, lanai and entry hall, containing a floor area of approximately 1194 square feet and a lanai area of approximately 407 square feet.

9. There are three (3) two-bedroom apartments (Type G) being Nos. D-424, D-524 and D-624 consisting of two-bedrooms, three baths, a kitchen, a living/dining room, walk-in closet, lanai and entry hall, containing a floor area of approximately 1194 square feet and a lanai area of approximately 288 square feet.

10. There is one (1) two-bedroom apartment (Type H) being No. D-724 consisting of two-bedrooms, three baths, a kitchen, a living/dining room, walk-in closet, lanai and entry hall, containing a floor area of approximately 1266 square feet and a lanai area of approximately 288 square feet.

11. There are thirty-seven (37) one-bedroom apartments (Type J) being Nos. A-103, A-105, A-107, A-203, A-205, A-207, B-211, B-213, B-311, B-313, B-411, B-413, C-317, C-319, C-321, C-417, C-419, C-421, C-517, C-519, C-521, D-425, D-426, D-525, D-526, D-625, D-626, E-528, E-529, E-530, E-532, E-533, E-628, E-629, E-630 E-632 and E-633 consisting of one bedroom, two baths, a kitchen, a living/dining room, lanai and entry hall, containing a floor area of approximately 829 square feet and a lanai area of approximately 200 square feet.

12. There are nineteen (19) one-bedroom apartments (Type J-1) being Nos. A-104, A-106, A-204, A-206, B-210, B-212, B-310, B-312, B-410, B-412, C-316, C-318, C-320, C-416, C-418, C-420, C-516, C-518 and C-520 consisting of one bedroom, two baths, a kitchen, a living/dining room, a lanai and entry hall, containing a floor area of approximately 829 square feet and a lanai area of approximately 200 square feet.

13. There are fifteen (15) one-bedroom apartments (Type K) being Nos. A-303, A-305, A-307, B-511, B-513, C-617, C-619, C-621, D-725, D-726, E-728, E-729, E-730, E-732 and E-733 consisting of one bedroom, two baths, a kitchen, a living/dining room, a lanai and entry hall, containing a floor area of approximately 879 square feet and a lanai area of approximately 200 square feet.

14. There are seven (7) one-bedroom apartments (Type K-1) being Nos. A-304, A-306, B-510, B-512, C-616, C-618 and C-620 consisting of one bedroom, two baths, a kitchen, a living/dining room, a lanai and entry hall, containing a floor area of approximately 879 square feet and a lanai area of approximately 200 square feet.

15. There are nine (9) one-bedroom apartments (Type L) being Nos. C-315, C-415, C-515, E-527, E-531, E-534, E-627, E-631 and E-634 consisting of one bedroom, two baths, a kitchen, a living/dining room, a lanai and entry hall, containing a floor area of approximately 829 square feet and a lanai area of approximately 269 square feet.

16. There are five (5) one-bedroom apartments (Type L-1) being Nos. C-314, C-414, C-514, E-535 and E-635 consisting of one bedroom, two baths, a kitchen, a living/dining room, a lanai and entry hall, containing a floor area of approximately 829 square feet and a lanai area of approximately 269 square feet.

17. There are four (4) one-bedroom apartments (Type M) being Nos. C-615, E-727, E-731 and E-734 consisting of one bedroom, two baths, a kitchen, a living/dining room, a lanai and entry hall, containing a floor area of approximately 879 square feet and a lanai area of approximately 310 square feet.

18. There are two (2) one-bedroom apartments (Type M-1) being Nos. C-614 and E-735 consisting of one bedroom, two baths, a kitchen, a living/dining room, a lanai and entry hall, containing a floor area of approximately 879 square feet and a lanai area of approximately 310 square feet.

19. There is one (1) commercial apartment being F-1, consisting of approximately 1301 square feet of loft space contained in one room.

NOTE: In accordance with local architectural practice the floor areas described above are gross floor areas measured center line to center line on the horizontal and outside to outside in a transverse direction.

(c) The apartments each have immediate access to a corridor which leads to three (3) elevators and six (6) stairways, and each elevator and stairway leads to the grounds of the project.

(d) The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter or party walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility or service lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls, doors and door frames, windows and window frames, the lanai air space (if any), the inner decorated or finished surfaces of all walls, floors and ceilings, and all fixtures and appliances originally installed therein, including without limitation a range, refrigerator, dishwasher, disposal, stacked washer and dryer, drapes and carpet.

COMMON ELEMENTS: The Declaration has been revised to delete the "Limited Common Elements" as part of the Common Elements. All remaining information under this topical heading remains unchanged.

LIMITED COMMON ELEMENTS: The Developer advises that the limited common elements described in subparagraph (b) under this heading in the Preliminary Public Report of August 9, 1979 have been deleted from the Declaration.

INTEREST TO BE CONVEYED TO PURCHASER: The Developer advises that the common interest appurtenant to Apartments A-301 and A-302 as disclosed in the Preliminary Public Report of August 9, 1979 have been revised as follows:

Apartment	Common Interest
A-301	1.181602%
A-302	1.174075%

All remaining information under this topical heading remains unchanged.

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: The Declaration has been revised to provide as follows:

(a) Residential Apartments. Except when the holder of the first mortgage on an apartment has entered into possession of a residential apartment following (i) a default under the first mortgage, (ii) a foreclosure proceeding, or (iii) a conveyance in lieu of foreclosure, the residential apartments shall be occupied and used for residential use or time-sharing ownership by the respective owners thereof, their tenants, families, domestic servants and social guests. The residential apartments may be sold, leased, rented or used for any time period or periods including any annually recurring period on a fixed floating basis. The residential apartments shall not be rented for hotel purposes, but except for such hotel purposes the owners of the respective residential apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration and By-Laws.

(b) Commercial Apartment. The commercial apartment may be occupied and used for any commercial purpose which from time to time is permitted by the applicable zoning ordinances or rules, regulations or laws of the County of Hawaii and/or the State of Hawaii.

OWNERSHIP OF TITLE: An updated Preliminary Title Report dated January 14, 1980, issued by Security Title Corporation, discloses the ownership of fee simple title to the property submitted to the horizontal property regime is vested in the Developer, KONA PACIFIC PARTNERS.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report as submitted to the Real Estate Commission discloses that the following are encumbrances against title to the property:

1. The reservation of all mineral or metallic mines of every description to the State of Hawaii.

2. Real Property Mortgage and Financing Statement dated December 21, 1979, recorded in the Bureau

of Conveyances of the State of Hawaii in Liber 14342, Page 39, in favor of FIRST HAWAIIAN BANK.

3. Undated Financing Statement recorded as aforesaid in Liber 14342, Page 79, made and executed by Kona Pacific Partners, as Debtor, and First Hawaiian Bank, as Secured Party.

4. The terms, covenants and conditions of Declaration of Horizontal Property Regime dated December 26, 1979, recorded as aforesaid in Liber 14359, Page 204, and the By-Laws annexed thereto.

5. Condominium File Plan No. 676.

6. For any taxes that may be due and owing, reference is made to the Office of the Tax Assessor, Third Division.

NOTE: The Developer advises that the property is also subject to the terms, covenants and conditions of the First Amendment to Declaration of Horizontal Property Regime dated January 25, 1980, recorded as aforesaid in Liber 14461, Page 60.

NOTE: The Developer advises that pursuant to Paragraph C of the Declaration the following easements have been reserved in favor of the Developer:

1. The Developer shall have the right to conduct extensive sales activities on the project, including the use of model apartments, sales and management offices, and extensive sales displays and activities until the earlier to occur of (a) eighteen (18) months from the date of the recording in the Bureau of Conveyances of the first apartment deed or (b) the closing of the sale of the last unsold apartment in the project. In the event that the Developer is unable to sell all of the apartments within the eighteen (18) month period, the Developer shall have the right to conduct sales activities on the project until the closing of the sale of the last unsold apartment in the project provided that such sales activities are conducted in an unobtrusive manner which will not unreasonably interfere with the use, possession, and aesthetic enjoyment of the project by the other apartment owners. In the event that the Developer's mortgage lender or any successor to or assignee of the Developer's mortgage lender shall acquire any portion of the project in the course of any foreclosure or other legal proceeding or by an assignment in lieu of foreclosure, such mortgage lender, its successors and assigns, shall have the right to conduct such extensive sales activities on the project until at least ninety-five percent (95%) of all of the apartments have been sold and closed, notwithstanding the foregoing.

2. The Developer, its agents, employees, contractors, licensees, successors and assigns shall have an easement over and upon the project as may be reasonably necessary for the completion of improvements to and correction of defects in the project. Such easement shall terminate twenty-four (24) months after the later of (i) the date of the recording in the Bureau of Conveyances of the State of Hawaii of the first apartment deed, or (ii) "substantial completion" (as the term is used in Chapter 507, Part II, Hawaii Revised Statutes) of the improvement to be completed or corrected.

3. Notwithstanding the above provisions the Developer, its agents, employees, contractors, licensees, successors, and assigns shall have the right to conduct time-sharing sales and management of units in a time-sharing program or programs provided that such activities are conducted in an unobtrusive manner which will not unreasonably interfere with the use, possession and aesthetic enjoyment of the project by the other apartment owners. Developer hereby further reserves for itself and its successors and assigns the right at any time and from time to time to file and/or record, without the consent or joinder of any other persons then owning or leasing any apartments in the Project, a supplemental Declaration of Covenants, Conditions and Restrictions to further establish, impose and regulate a time-sharing plan or program with respect to any one or more of the apartments in the Project; provided, however that any such Declaration shall be expressly limited to the apartment or apartments affected thereby.

NOTE: The Developer advises that pursuant to Paragraph Q of the Declaration a Hawaiian Heiau Site is located upon the project grounds as shown on the Condominium File Plan and the apartment owners through the Association, shall at all times maintain the site in its present condition, and all alterations, excavations, modifications, construction and reconstruction thereto is prohibited.

PURCHASE MONEY HANDLING: The Developer advises that the executed Escrow Agreement dated June 18, 1979, with Bank of Hawaii has been assigned to and is now held by SECURITY TITLE CORPORATION, as Escrow Agent.

STATUS OF PROJECT: The Developer advises that it has entered into a Construction Contract dated December 20, 1979, with E. E. Black, Ltd. for construction of the project. The Developer estimates that construction of the project will commence on or about December 26, 1979, and that construction will be completed on or about May 31, 1981.

The purchaser and prospective purchaser should be cognizant of the fact that this published report represents

information disclosed by the Developer in the required Notice of Intention submitted June 19, 1979, and information subsequently submitted as of January 31, 1980.

This is a FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 1144 filed with the Commission June 19, 1979. This report when reproduced shall be a true copy of the Commission's Public Report.

The paper stock used in making facsimiles must be white.

for AH KAU YOUNG, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

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ESCROW AGENT

REGISTRATION NO. 1144

February 1, 1980